



# K A N S A S

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DEPARTMENT OF ADMINISTRATION  
STATE EMPLOYEES HEALTH CARE COMMISSION

January 9, 2006

TO: Members of the Joint Committee on Administrative Rules and Regulations

FROM: Harry Bossi, Benefits Manager

RE: K.A.R. 108-1-4 Eligibility of local units of government

Mr. Chairman and Members of the Committee:

Thank you for the opportunity to appear before you today to provide information about the proposed amendment to K.A.R. 108-1-4. My name is Harry Bossi, and I am appearing as the Health Benefits Manager, Kansas State Employees Health Care Commission.

The Health Care Commission first adopted K.A.R. 108-1-4 in August 2002. This regulation, which establishes the local unit employee health care benefits component of the State of Kansas Health Care Benefits Program (the "local unit plan"), allows local units to voluntarily participate in the State's Health Benefits Program.

K.S.A. 75-6506(c) provides that the Health Care Commission may designate by regulation those entities that are qualified to participate in the state health care benefits program. Currently, the regulation allows for the voluntary participation in the state employee health plan of cities, counties, townships, community mental health centers, groundwater management districts, rural water-supply districts, public wholesale water supply districts, county extension councils, extension districts, and public libraries. In response to a written request from the Kansas Hospital Association, the Health Care Commission is proposing an amendment to K.A.R. 108-1-4 that would extend eligibility to city hospitals, county hospitals, and hospital districts by adding those entities to the definition of "local unit."

The Health Care Commission staff requested that the Kansas Hospital Association survey public hospitals to determine the potential number of additional local units and local unit employees that would become eligible to participate, as well as the estimated number of local unit employees that might

voluntarily enroll in the local unit plan. Based on that survey, it is estimated that a total of 77 additional local units and 10,794 additional employees would become eligible for the local unit plan. Of these, 10 local units with 1,002 qualified employees indicated an interest in participating if the local unit plan is made available to them.

A public hearing will be conducted on Tuesday, January 17, 2006, in Room 108 of the Landon State Office Building.

This concludes my summary of the amendment to K.A.R. 108-1-4. I stand for questions.